



sustainability innovation customers

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Dow Jones Sustainability Index

For the fifth consecutive year, Empresas CMPC has been listed on the Dow Jones Sustainability Index Chile (DJSI), a stock market indicator of companies which have shown outstanding leadership and management in the field of sustainability. Furthermore, for the first time, Empresas CMPC has been included in the Emerging Markets category, thereby adding a third listing to the two it already holds (Chile and MILA Pacific Alliance).

"Being accepted into the Emerging Markets category constitutes as recognition and is a good reflection of the work we have been undertaking in recent years, both to consolidate and publicise the most up to date information on sustainability issues, and to address new environmental commitments, such as the 50% reduction of our total greenhouse gas emissions, of Scopes 1 and 2, by 2030", said Francisco Ruiz-Tagle, CEO of Empresas CMPC...

For five consecutive years, CMPC has been listed on the Dow Jones Sustainability Index Chile and has now been included in the Emerging Markets category.













CMPC has committed itself to specific environmental goals to contribute to climate change mitigation

CMPC has publicly pledged to reduce its greenhouse gas emissions and reduce water usage in its industrial processes. It will also become a 'zero waste' company as of 2025.

As part of its centenary celebrations, CMPC has also launched a major initiative to recover native forests and landscapes through the restoration and conservation of 100,000 hectares by 2030 - in addition to the 325,000 conservation hectares it currently manages.

"Climate change is something that effects all of us. Therefore, all sectors and individuals should contribute to its mitigation". Those were the words of CMPC's CEO, Francisco Ruiz-Tagle, as he presented the company's goals for dealing with the reduction of its environmental impact.

In this context, CMPC has committed to a

50% reduction of its total greenhouse gas emissions (Scopes 1 + 2) by 2030, using 2018 level emissions as a baseline. This reduction will be achieved through the enhanced efficiency of energy and production, as well as, among other actions, changes in fuel use.

"While contributing to emissions reductions for our industrial processes in countries where we operate, it is important to recognise that forestry plantations in Chile, Argentina and Brazil owned by CMPC, plus the 325,000 native forest conservation hectares we have in those countries, contribute effectively, and in a very direct way, to the capture of CO2", Francisco Ruiz-Tagle said. It is estimated that the total CO2 sequestration in CMPC's planted forests, including Chile, Argentina and Brazil, is 25 million tCO2e, while the number of CMPC's captured and sequestrated conservation areas in Chile is around 620,000 tCO2e.





CMPC's CEO, Francisco Ruiz-Tagle, has participated as a Sustainable Development Goals (SDG) roadmap presenter, on behalf of the Forestry Sector of the World Business Council for Sustainable Development (WBCSD). This is one of the most important international institutions to include the global private sector in sustainable affairs. The Forestry Sector Roadmap seeks to effectively contribute, as best as possible, towards the United Nations' (UN) Sustainable Development Goals (SDG), adopted in September 2015 by member states in order to overcome poverty, protect the planet and ensure prosperity for everyone. "These are the guidelines that CMPC's environmental goals, which we are presenting, fall under, in addition to the efforts we are undertaking in order to consolidate ties with the communities and neighbours of our operations ", Ruiz-Tagle said.

Water

CMPC has pledged a 25% reduction in industrial water use per produced ton by 2025, using the 2018 consumption level as a baseline. This includes its 43 mills in eight Latin American countries. In 2018, CMPC used nearly 200 million cubic meters of water, of which 85% were treated and

returned to underground and surface sources with a higher sanitary quality than when they were sourced.

Waste

"With regard to industrial waste and its disposal, i.e. landfills, our purpose is simple and direct: we want to be a zero-waste company in no longer than six years from now", CMPC's CEO stated. We are already working towards this goal; from searching for opportunities related to waste generation to improvements to our operational excellence, the use of new technologies, innovative industrial processes and products and internal synergies. "We have also found opportunities in industrial waste valuation, by transforming waste into by-products through wood processing", Ruiz-Tagle said.

Reforestation

In order to further contribute to CO2 capturing, and the preservation of native species and landscapes, CMPC has also announced the conservation and restoration of 100,000 hectares by 2030 in addition to the 325,000 conservation and protection hectares the company already owns in Chile, Argentina and Brazil.











 I started working on 15th May 1992 at a company called Papalex, which was 50% owned by CMPC and 50% by Fletcher Challenge, a company from New Zealand. Our task was to export to South America newspaper production that companies like Inforsa and Papeles Bio-Bio could not supply to Chile. I started out as a Commercial Sub-Manager and my responsibilities have increased every five years since, making for an interesting and challenging career.

In 1997, the agreement with Fletcher Challenge ended and the company became 100% owned by Inforsa (CMPC), resulting in us taking on the whole national paper market. In 2001, with the Argentinian crisis known as "El Corralito", we had to venture out and start selling newspaper to Asia, developing business in markets such as Hong Kong, Vietnam, Thailand, Taiwan and India.

In 2007, I was offered the opportunity to manage CMPC Celulosa in the American and Middle East markets. By 2012 I was managing the Pan European Market, which I still oversee today.

In 1996, the company offered me the chance to also manage the logistics side of the business and to take an MBA course to become a commercial leader of the successful SAP Inforsa project for CMPC Celulosa. I was also able to develop the business intelligence module for CMPC. Although I have missed several family occasions due tomy work trips, it has allowed me to discover many places, people and cultures all around the world.

What does 28 years at CMPC mean to you? What is the most motivating part of your job?

 Over my 28 years of experience I have been able to develop and grow, both personally and professionally. I am grateful to all the bosses and colleagues that I have had over the years, with whom I've been able to learn and share during long working hours, long trips and amazing experiences. I am proud to belong to this company and be part of a culture that is more than just a job - it's a way of life. It is always motivating to have new challenges ahead to rise up to.

This is a very complex question since CMPC is in the middle of profound









and important changes. I believe in a mixing of cultures and ethics, in a close and friendly way of doing things, whilst incorporating new tools, skills and technologies that help us and facilitate CMPC's performance, through combining the best of the past with all the benefits of the new digital era. We have to be able to blend the best of both worlds to achieve better results and to remain the same great company as before, but with the benefit of modern practices.

I believe that CMPC's greatest strengths are still its dedication and long-term focus, plus being up to date and flexible with today's current requirements.

Given your current position in the company, how do you evaluate CMPC's approach and growth in the European market?

— Growth within a stable market is down to the esteem in which we are held, and our approach to the market. Clients understand that doing business with CMCP is not only about the Pulp network, it also about the security that Pulp provides under any market circumstances. Our network of local agents is well appreciated and helps us to be closer to our clients.

Having a wide range of products means we have the opportunity to offer different products to our clients, being able to match every product to the processes of each individual customer. The combination of all these previous factors, plus constant commercial and technical visits, have allowed us to slowly, but surely, gain additional market share.

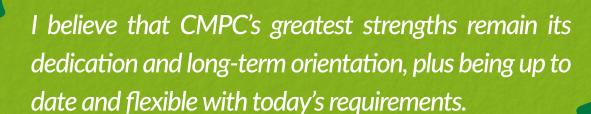
What do you think is the biggest challenge for CMPC in 2020? How does that challenge translate to the European market?

— The principal challenge we have is to keep on developing our business in the region in alignment with our mid- and long-term strategies. In a market with demand issues, plus working under the pressure of very efficient and aggressive competitors around the world, we have to be able to go out to our clients and keep providing them with the materials they require for their normal operations.

CMPC is celebrating its centenary in 2020 and has made concrete environmental commitments in terms of gas, water, plantations and waste. Moving forward, what do you think of these goals?

The environmental goals that CMPC has set after its first 100 years are to be

celebrated. These are challenging and demanding targets that force us to use all the experience and knowledge that we have gained over these first 100 years, in order to meet them. This demonstrates CMPC's strength, explains the amazing way in which we have been able to achieve this centenary, and sets us up to continue operating for at least the next 100 years.



What is the role of the Sales Department in the company's sustainability?

— In a company such as CMPC, different departments intertwine and collaborate with each other to achieve the best possible results. One of the several roles the sales team has is to address sustainability issues. One of the main duties given to those who are in constant contact with customers is to inform them of new market trends and / or demands in relation to sustainability. Traditionally, their role is just that of making sales; but for us they are the main channel to make customers and the market aware of the efforts and developments that the company is making in terms of sustainability.

With a view to the next 100 years, what is CMPC's new approach? What do you think are the main challenges facing the European market?

— In general, the main challenge is to ensure that CMPC adapts to new market trends, in order to meet the new requirements of our customers. The difficult aspect of all of this is that not even our clients are clear about their future needs are at this point. The development of new products in CMPC Pulp is an important step to being better prepared for future challenges.





Award for International Trade

We have been awarded the 'International Trade Outstanding Export/Import Business Certificate.'

CMPC and Beauflex have been awarded this in special recognition of an outstanding business record in 2018, ranking among the top 500 companies in terms of export/import performance in Taiwan.







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